January 12, 1976

SENATOR MARESH: You're talking about an amendment,

Senator Dworak? Amend the bill to

SENATOR DWORAK: No, I'm talking about the bill.

SENATOR MARESH: The way it is now?

SENATOR DWORAK: The way, if it would be passed, could an employer exclude an employee from calling on that employer's accounts?

SENATOR MARESH: No, I don't believe so. I think that's the way the bill reads. Then he could compete if this was enacted.

SENATOR DWORAK: Now let's say there's another employer in town in the same business. Now this employee leaves and has full knowledge of his employer's accounts, expiration dates, full technical knowledge, then isn't that employee who left that employer now at an advantage over the competing business in town because the competing business doesn't have that knowledge? He has no entitlement to that knowledge. He shouldn't have entitlement to that knowledge. But now are you not putting this employee, who left, at an advantage over that competing business?

SENATOR MARESH: Well he would have an advantage because he'd know his customers. That's why he worked so hard to get these customers and build up a business. So I think that's

SENATOR DWORAK: No, the original employer built up the customers.

SENATOR MARESH: Not always. I think we could have an agreement where the salesman worked hard and got the business built up then, because there's a covenant, he cannot compete. So he

SENATOR DWORAK: Well I'm talking about an original employer who has these customers already built up, he hires an employee, that employee stays with him four months just long enough to learn the accounts, not long enough to build up the business, not long enough to build up any business of his own, just all that employee has done was learn that employers accounts. Now the employee leaves, sets up his own business, can compete against that employer with the knowledge of that employer's accounts and past work, plus the fact that he's competing against other similar employers in that community at a terrific advantage over those other employers who do not have the same access of the original employer's information that that employee has. If there's an inequity existing now, with the passage of this legislation, does this not compound that inequity? Doesn't it shift the inequity from the employee to those other competing employers?